

Board Study Session & Business Meeting (Tuesday, August 12, 2014)

Generated by Shelley R Shelton on Wednesday, August 13, 2014

Members present

Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

Meeting called to order at 4:12 PM

1. 4:00 - 5:00 p.m. Executive Session for the purpose of discussing personnel, negotiations and pending or reasonably imminent litigation. Utah Code 52.4.205

A. Personnel Case

B. OCR Case

C. PESP 2014-2015 Final Negotiated Agreement

D. UHSAA Realignment Discussion

2. 5:00 - 7:00 p.m. Study Session

Meeting called to order at 5:05 p.m.

A. Welcome: President Michelle Kaufusi

B. Roll Call

Staff members present:

Superintendent Keith Rittel; Asst. Supt. Ray Morgan; Business Administrator Stefanie Bryant; Human Resources Director Jason Cox; Student Services Executive Director Gary Wilson; Executive Director of Elementary Education Alex Judd; Executive Assistant Shelley Shelton

Guests:

Christy Giblon and Kathy Giles, Provo Education Association; Morgan Anderson, Director of Special Education; Chad Duncan, Technology Director; Caleb Price, Communications and PR Coordinator; Johnathan Ward and Randy Larsen, Financial Advisor and Bond Counsel; Bret MacCabe; Mark Wheeler, Facilities and Maintenance Director

C. Policy Review

Policy 1940 Board Guidelines on Tax Increment Financing (Redevelopment Agency) Agreements

In response to questions from the Board, Business Administrator Stefanie Bryant explained the following statements:

#10 The district must receive an agreed upon percentage of the tax increment immediately.

- If the Board/district agree that we will not get taxed for a redevelopment project (RDA), the Board wants to at least get a portion of the tax increment back the first year. The percentage would then increase each subsequent year.

#11 All projects approved by the District will be financed by reducing the District's overall tax rate with the expectation that the City will raise offsetting property tax rates, holding taxpayers harmless.

- There was a question regarding whether the word "not" should be inserted to read, "...the City will *not* raise offsetting property tax rates..." The policy will be approved pending clarification.

#15 - The city is encouraged to bring truly blighted areas or areas which for various reasons have a high probability of not being developed to the Board of Education.

- The statement will be updated to read, "The city is encouraged to bring truly blighted areas or areas which for various reasons have a high probability of not being developed **some other way** to the Board of Education."

Policy 3210 Compliance with FERPA

Executive Director of Student Services Gary Wilson shared the following background information on the policy:

FERPA is a federal mandate to protect an individual's information and their right to limit access to their information. The attached procedure, drafted with the assistance of legal counsel, outlines how the district operates within the policy to protect student records and family privacy rights.

Business Administrator Stefanie Bryant will ensure a nondisclosure agreement and form for companies under contract with the district will be included in the purchasing policy and linked to the FERPA policy.

It was recommended the following change be made to 3210 Compliance with FERPA P1, item 6a:

- Requests for Records by Subpoena or in an Emergency:
 - a. Before releasing student information when subpoenaed by law (unless otherwise ordered in the subpoena not to), the school should notify the parent that their child's record has been subpoenaed so that the parent has the opportunity to seek legal counsel. ~~to quash the subpoena.~~

Policy 6215 Surplus of District Property

This policy is in compliance with state law and protects the district.

- Policy 4350 Art Collection can be cross referenced in Policy 6215.
- Member Poulsen will assist in drafting a procedure for determining the value of an art object.

Policy 6540 Employee Accident / Injury Reporting

In an effort to maintain a safe and healthy work environment, accidents that occur on Provo School District property or during the course of employment with the District must be reported. It is the intent of the District to minimize accidents, injuries and illnesses by correcting identified causes when appropriate and feasible. Business Administrator Stefanie Bryant indicated the procedures are in writing for secretarial reference and use.

D. Prospective Bond Attorneys

To facilitate the complex legalities of an issuance of municipal bonds and the election process, the District will engage bond counsel. Counsel will ensure the more stringent legislative requirements for bond elections are followed, ballot initiative language is correct and that legal notices are posted as required.

Over the past several months much research and preparation has gone into placing a municipal bond issuance on the November 4, 2014, election ballot. Administration, with the assistance of the District financial advisor, has selected Ballard Spahr, LLP as bond counsel for the upcoming bond election, and subsequent issuance of the bonds if passed at election. Selection of legal counsel does not have to be bid under Utah procurement code.

It was recommended the Board approve Ballard Spahr, LLC as the District bond counsel for the 2014 bond election and subsequent bond issue.

E. Resolution 001 – 2014 Ballot Measure Language for School Reconstruction Bond

The resolution must be approved by motion during the following business meeting.

Supt. Rittel reviewed sections of the resolution.

Public Bond Hearings will be held on the following dates:

- Sept. 23 - 7:00 - 9:00 p.m. in the Professional Development Center
- Oct. 28 - 6:00 p.m. in the Professional Development Center (combined with board study session if needed)
- Nov. 18 - 4:30 study session; business meeting at 6:00 p.m in the Professional Development Center to discuss and formally accept election results

The following changes will be made to the resolution:

- Page 7 - Shall the Board of Education (the "Board") of Provo City School District, Utah (the "District"), be authorized to issue General Obligation Bonds in an amount not to exceed ~~One Hundred Million Eight~~ **One Hundred Eight Million** Dollars...

Discussion took place among board members regarding the following portion of the first paragraph of the resolution and whether or not it overly limited the Board in their use of possible excess bond funds, whether it was contrary to the stated purpose of the bond, and whether the language should be kept or changed:

- ...A PROPOSITION REGARDING THE ISSUANCE OF NOT TO EXCEED \$108,000,000 GENERAL OBLIGATION BONDS TO FINANCE THE ACQUISITION OF LAND; ACQUIRE, CONSTRUCT, FURNISH AND EQUIP NEW SCHOOL FACILITIES; AND RENOVATE AND IMPROVE EXISTING FACILITIES AND RELATED IMPROVEMENTS (THE "PROJECT")...

Board feedback:

Member Poulsen - Did not express a preference

Member McKay Jensen - Keep it

Member Marsha Judkins - Change it

Member Taz Murray - Keep it

Member Jim Pettersson - Keep

Vice President Julie Rash - Keep

President Michelle Kaufusi - Keep

Following further discussion it was determined the following change would be made:

- ...A PROPOSITION REGARDING THE ISSUANCE OF NOT TO EXCEED \$108,000,000 GENERAL OBLIGATION BONDS TO FINANCE THE ACQUISITION OF LAND; ACQUIRE, CONSTRUCT, FURNISH AND EQUIP NEW SCHOOL FACILITIES; AND ~~RENOVATE AND~~ IMPROVE EXISTING FACILITIES AND RELATED IMPROVEMENTS (THE "PROJECT")...
- WHEREAS, the Board of Education (the "Board") of Provo City School District, Utah (the "District") desires to maintain its aging schools and buildings and replace the oldest and most deficient schools within the District (the "Project"); and...

Bond Counsel Randall Larsen and District Financial Advisor Johnathan Ward shared the following insights and recommendations related to the Board's discussion:

- The voter information pamphlet can be more specific, outlining how excess funds would be used, and would be binding on the Board. The pamphlet may list only the schools to be built, but the Board reserves the right, should the total project come in under budget, to then redirect excess funds for other improvements as long as the ballot proposition allows the Board that leeway. Regardless of what's in the ballot, the Board is required to stay true to the voter information pamphlet plan of finance.
- The current language has been used in other successful bond campaigns.
- The first two paragraphs of the ballot proposition are required by legal statute.
- In reference to the following excerpt from the first paragraph of the ballot proposition, Supt. Rittel explained if the Board goes one day past 20 years from the date of issuance of the bonds, we have a

problem. The extra year was added as a cushion if needed.

- ...said Bonds to be due and payable in not to exceed twenty-one (21) years from the date of issuance of the Bonds
- The "Property Tax Cost of Bonds" paragraph of the ballot proposition is required as a result of legal statute requiring voters to be informed of the monthly as well as annual tax increase amounts for both residential and commercial buildings of the same value.
 - \$17.96 per month increase as stated in the second paragraph of the "Property Tax Cost of Bonds" section is the monthly amount the homeowner of a \$210,000 home would pay without regard to the *existing taxes currently paid for existing bonds that will reduce over time.*
- The Board was counseled to not leave voters to educate themselves going into the ballot box. Rather, voters should be able to verify what they already know.
- Change the monthly and annual tax amounts to \$9.24 and \$110.88 respectively on the district website, in bond presentation materials for open houses and in the voter information pamphlet when it's drafted.
- Educate voters on the ballot language itself in all open house and neighborhood presentations.

Following discussion, it was determined the following additional Whereas recital would be added to page 2, inserted after paragraph 2 of the resolution:

"Whereas, the project will address urgent safety, seismic and security needs, and such needs are among the board's highest priorities for its students and employees."

F. Resolution 002 - 2014: Commitment of Efficiency and Transparency in Managing Bond Funds in Rebuilding Provo City School District Schools

This resolution is a public statement that commits to transparency and efficiency to the public and the Utah Taxpayers Association. It was determined the following changes would be made for clarity:

NOW THEREFORE BE IT RESOLVED, that the Provo City School District Board of Education commits to:
~~directing~~

- a) ~~Directing~~ the use of bond funds toward innovative yet proven cost-saving designs and methods to maximize efficiencies toward cost savings, and
- b) ~~the creation of~~ **Creating** a portion of the school district's webpage to regularly post and track the expenditures of bond funds and the progress on the construction projects funded by this school construction bond and...

G. SB93 Internal Audit Requirement

Business Administrator Stefanie Bryant explained the following background information:

Senate Bill 93 S2: Internal Audit Amendments, was passed in the 2014 General Legislative Session.

SB 93 was originally passed in 2013 legislative session and required all LEAs to establish an Audit Committee. Provo School District has an Audit Committee established. The amendment to the bill in 2014 requires LEAs with enrollment of 10,000 or more to establish an "internal" audit program. The LEA is required to hire an internal auditor, contract for services with a CPA firm, or develop an internal audit program through other means. The internal audit function is to be supervised by the LEA's audit committee, and must be independent of the LEA's management

The District Audit Committee will act as the Internal Audit Director, and will need to establish an internal audit program for use by the internal auditor.

Provo School District does not have the resources, nor the need, to hire an internal auditor. It recommended this service be contracted with a local CPA firm. The audit committee should meet to discuss next steps, begin

developing an internal audit program, and bid contract services.

H. Large Purchase

Title I Director Alex Judd shared the following background information:

Title I funds are used to aid Title 1 schools in educating students. Many of the computers in the current Title 1 schools are out of date and need to be replaced. This purchase is for \$242,912, to Apple Inc, to procure 242 computers. Two-hundred ten of the computers will be for student use, and thirty-two will be for teachers and staff.

I. Large Donation

Business Administrator Stefanie Bryant explained Policy 6110 requires any donations made to the school district over \$10,000 to be approved by the Board of Education.

A Provo City patron would like to donate \$10,000 to help cover player fees for the Timpview High School football team's participation in an approved event held in California. Form 6110 F3 was attached to this request.

It was recommended the Board approve the donation by way of a motion during the business meeting.

J. Capital Project Budget Request

Business Administrator Stefanie Bryant indicated Facilities and Maintenance has requested an increase in the capital projects budgets for FY15.

At the end of each fiscal year, managing the timelines for project starts and completions and the accounting and budgets related poses a challenge. Various projects that were on the Board approved capital projects list for FY14 were either not able to be completed, or not started before the end of the 2014 fiscal year. As such, the request is being made to increase the FY15 capital projects budget for funds that were unspent at the end of FY14. The funds are to be used for those projects previously approved by the Board in FY14.

K. Discussion of Requests Re: BRT Impact on Wasatch Elementary

Supt. Rittel reviewed the memo sent to Mayor Curtis and Wayne Parker. It will be approved by way of a motion during the business meeting.

L. The Provo Way Innovation Learning Initiative

Bret MacCabe addressed the Board, sharing his vision of the initiative. He expressed appreciation to Supt. Rittel for the opportunity to be a part of the implementation process.

M. Consent Calendar Review & Questions

N. Upcoming Calendar Items

O. Motion to Adjourn

I move we adjourn the study session.

Motion by Jim Pettersson, second by Julie Rash.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

The study session was adjourned at 6:55 p.m.

3. 7:00 p.m. Business Meeting

The meeting was called to order at 7:06 p.m.

A. Welcome: President Michelle Kaufusi

B. Roll Call

C. Opening Remarks: Vice President Julie Rash

D. Pledge of Allegiance: Jason Cox, Director of Human Resources

E. Provo Way Professional Development / Learning Targets Video & Resource Guide (20 min.)

Director of Instruction and Literacy Anne-Marie Harrison Poulsen shared the video related to The Provo Way professional development for Learning Targets.

4. Community Connections

A. Public Input

There was no public input.

5. Business Items

A. Approve Policy 1940 Board Guidelines on Tax Increment Financing

I move that we approve new policy 1940 Board Guidelines on Tax Increment Financing.

Motion by Jim Pettersson, second by Marsha Judkins.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

B. Approve Policy 3210 Compliance with Family Education Rights and Privacy Act (FERPA)

I move that we approve new policy 3210 Compliance with FERPA.

Motion by McKay Jensen, second by Julie Rash.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

C. Approve Policy 6215 Surplus of District Property

I move that we approve new Policy 6215 Surplus of District Property.

Motion by Marsha Judkins, second by Jim Pettersson.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

D. Approve Policy 6540 Employee Accident / Injury Reporting

I move that we approve new Policy 6540 Employee Accident/Injury Reporting.

Motion by Shannon Poulsen, second by Julie Rash.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

E. Approve Bond Attorney

I move we approve Ballard Spahr LLC as Bond Counsel for the November 2014 bond election and subsequent issue.

Motion by Jim Pettersson, second by Shannon Poulsen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

F. Approve Resolution 001 – 2014 Ballot Measure Language for School Reconstruction Bond

I move we approve Resolution 001-2014 Official Ballot Proposition for the Provo City School District, Utah Special Bond Election on November 4, 2014, including the language changes discussed in the study session.

Motion by McKay Jensen, second by Marsha Judkins.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

G. Approve Resolution 002 - 2014 Commitment of Efficiency and Transparency in Managing Bond Funds in Rebuilding Provo City School District Schools

I move we approve Resolution 002-2014 Commitment of Efficiency and Transparency in Managing Bond Funds in Rebuilding Provo City School District Schools, including the language changes as discussed in the study session.

Motion by Julie Rash, second by Shannon Poulsen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

H. Approve Large Purchase

I move we approve the purchase of \$242,912 for school computers.

Motion by Marsha Judkins, second by Jim Pettersson.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

I. Approve Large Donation

I move to approve the \$10,000 donation requested for Timpview High School football to cover player fees for travel.

Motion by Jim Pettersson, second by Marsha Judkins.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

J. Approve Capital Project Budget increases

I move we approve the capital project budget increases for the projects approved in FY14.

Motion by Marsha Judkins, second by Julie Rash.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

K. Approve PESP 2014-2015 Negotiated Agreement

I move we approve the Provo Education Support Professionals Negotiated Agreement for the 2014-2015 school year.

Motion by Jim Pettersson, second by Shannon Poulsen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

L. Approve Memo Outlining Requested Mitigations Re: BRT & Wasatch

I move that we approve the memo outlining requested mitigations regarding BRT and Wasatch.

Motion by Marsha Judkins, second by Jim Pettersson.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

6. Consent Calendar

A. Board Minutes as Part of the Consent Calendar

Resolution: I move we approve the board minutes as part of the consent calendar.

I move we approve the consent calendar.

Motion by Jim Pettersson, second by McKay Jensen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

B. June 10 Study Session & Business Meeting

Resolution: I move we approve the minutes of the June 10 Study Session and Business Meeting as part of the consent calendar.

I move we approve the consent calendar.

Motion by Jim Pettersson, second by McKay Jensen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

C. June 24 Study Session

Resolution: I move we approve the minutes of the June 24 study session as part of the consent calendar.

I move we approve the consent calendar.

Motion by Jim Pettersson, second by McKay Jensen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

D. Personnel Report as Part of the Consent Calendar

Resolution: I move we approve the personnel report as part of the consent calendar.

I move we approve the consent calendar.

Motion by Jim Pettersson, second by McKay Jensen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

E. Home School/School Choice/eSchool Report as Part of the Consent Calendar

Resolution: I move we approve the home school and school choice reports as part of the consent calendar.

I move we approve the consent calendar.

Motion by Jim Pettersson, second by McKay Jensen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

F. Financial Reports as Part of the Consent Calendar

Resolution: I move we approve the financial reports as part of the consent calendar.

I move we approve the consent calendar.

Motion by Jim Pettersson, second by McKay Jensen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

G. Approve the Consent Calendar

Resolution: I move we approve the consent calendar.

I move we approve the consent calendar.

Motion by Jim Pettersson, second by McKay Jensen.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

7. Board Member Reports

8. Superintendent's Report

A. Approved Student Travel

B. Highly Qualified Teachers

9. Adjourn

A. Motion to Adjourn

I move we adjourn the business meeting.

Motion by Marsha Judkins, second by Taz Murray.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson, Shannon Poulsen

The business meeting was adjourned at 8:16 p.m.

